

Message Text

CONFIDENTIAL

PAGE 01 LIMA 06724 222319Z

70

ACTION SS-15

INFO OCT-01 ARA-06 ISO-00 SP-02 L-03 TRSE-00 SSO-00 EB-07

NSC-05 CIAE-00 INR-07 NSAE-00 COME-00 NSCE-00 INRE-00

/046 W

----- 112050

O 222300Z JUL 76

FM AMEMBASSY LIMA

TO SECSTATE WASHDC IMMEDIATE 1110

C O N F I D E N T I A L LIMA 6724

FOR UNDER SECRETARY MAW; ARA - ASSISTANT SECRETARY SHLAUDEMANN;
L/ARA - MR. KOZAK; L/EUR - MR. GANTZ; S/P - DR. EINAUDI;
TREASURY - MR. MARESCA

E.O. 11652: GDS

TAGS: BDIS, EINV, EIND, EMIN, PFOR, PE

SUBJ: MARCONA: FOREIGN MINISTER WILL PRESENT FINAL
PROPOSAL TO PRIME MINISTER ON JULY 26

REF: LIMA 6613

1. FOREIGN MINISTER DE LA PUENTE INFORMED AMBASSADOR
AFTERNOON JULY 22 THAT MARCONA COMMISSION (INCLUDING SUB-
COMMISSIONS ON VALUATION AND DEBTS) SHOULD COMPLETE WORK
TOMORROW (JULY 23). THUS HE WILL BE ABLE TO PRESENT TO NEW
PRIME MINISTER GUILLERMO ARBULU ON JULY 26 PROPOSAL FOR FINAL
SETTLEMENT. IF PRIME MINISTER APPROVES, THEN PROPOSAL CAN
BE SUBMITTED TO FULL COUNCIL OF MINISTERS JULY 27 AT REGULAR
SESSION.

2. ACCORDING TO FOREIGN MINISTER, PROPOSAL WOULD INVOLVE
\$30.2 MILLION CASH PAYMENT (PRESUMABLY \$33 MILLION LESS \$3.6
PLUS ELIZABETH LYKES) BUT WITH SALES AGREEMENT EXPANDED INTO
1979 TO PROVIDE NEEDED ADDITIONAL COMPENSATION. GOP
RECOGNIZES THAT ADDITIONAL ONE MILLION TONS IN SALES
WOULD AT PRESENT PRICES BRING MARCONA ABOUT \$6 MILLION
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 LIMA 06724 222319Z

IN ADDED COMPENSATION TO OFFSET \$3.6 MILLION (LESS

ELIZABETH LYKES) AND DIFFERENCE BETWEEN \$9 MILLION AND \$12 MILLION IN SHIPPING CONTRACT COMPENSATION. GOP WILL ASK THEREFORE THAT MECHANISM BE DEVISED TO INSURE THAT SALE ADDITIONAL ONE MILLION TONS IN 1979 WILL NOT EXCEED \$6.00 PER TON COMPENSATION FOR MARCONA. PAYMENT OF \$30.2 MILLION WOULD EITHER BE CONNECTED WITH NEW YORK LOAN OR WOULD BE PAID WITHIN SPECIFIED PERIOD OF TIME AT PREVAILING INTEREST RATES.

3. BOTH AMBASSADOR AND FOREIGN MINISTER AGREED THAT EARLY SETTLEMENT OF MARCONA WOULD BE POSITIVE STEP IN RELATIONS BETWEEN US AND PERU. DEPUTY ASSISTANT SECRETARY RYAN ACCOMPANIED AMBASSADOR AND ECON COUNSELOR ON VISIT, AND WILL REPORT TO UNDER SECRETARY MAW ON RYAN'S RETURN TO WASHINGTON.
DEAN

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: NATIONALIZATION, COMPENSATION, NEGOTIATIONS, CONTRACTS
Control Number: n/a
Copy: SINGLE
Draft Date: 22 JUL 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: powellba
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976LIMA06724
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D760282-1035
From: LIMA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19760733/aaaabclk.tel
Line Count: 77
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION SS
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 76 LIMA 6613
Review Action: RELEASED, APPROVED
Review Authority: powellba
Review Comment: n/a
Review Content Flags:
Review Date: 26 JUL 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <26 JUL 2004 by saccheem>; APPROVED <28 OCT 2004 by powellba>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: MARCONA: FOREIGN MINISTER WILL PRESENT FINAL PROPOSAL TO PRIME MINISTER ON JULY 26
TAGS: BDIS, EINV, EIND, EMIN, PFOR, PE, MARCONA
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006